

CABINET

19 FEBRUARY 2007

**PRUDENTIAL BORROWING CAPITAL SCHEME:
VARIATION OF METROPOLITAN HOUSE WITH THE ASSOCIATED
SERVICE IMPROVEMENTS AND STAFF ALIGNMENT FOR THE SSDP**

REPORT OF INTERIM EXECUTIVE DIRECTOR,
ENVIRONMENTAL SERVICES

1.0 PURPOSE OF REPORT

1.1 The purpose of this report is to seek Members' approval for the prudential borrowing capital scheme that will release the Council from its lease obligations at Metropolitan House, whilst providing for enhanced service delivery, flexible working and a substantial revenue saving secured through increased operational efficiency.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- i) the Business Case at Appendix A of this report be approved;
- ii) £867,000 of capital be allocated to fund the Vacation of Metropolitan House Project as the prudential borrowing loan described in Appendix A;
- iii) West End House be declared as surplus to requirements once it is vacated and that the asset be disposed of in accordance with the requirements of the Council's Constitution;
- iv) the capital receipt from the eventual sale of West End House be used to offset the cost of the Project as set out in the Business Case; and
- v) the decision be exempt from call in, in accordance with Rule 19, Part 4 of the Council's Constitution, on the basis that the decision requires immediate action if the project is to be completed within the projected timescale.

PRUDENTIAL BORROWING CAPITAL SCHEME: VARIATION OF METROPOLITAN HOUSE WITH THE ASSOCIATED SERVICE IMPROVEMENTS AND STAFF ALIGNMENT FOR THE SSDP

3.0 INTRODUCTION

- 3.1 The Council currently occupies a wide range of office accommodation throughout the Borough. Where possible it is desirable to reduce the use of accommodation to both reduce the revenue costs, whilst also providing greater flexibility for the deployment of the workforce and service improvement. However, a true saving can only be secured if the vacation of accommodation results in the surrender of a lease or to provide an opportunity for another organisation to occupy the accommodation and to deliver a rental return.
- 3.2 Metropolitan House is leased from a private landlord and occupied by a range of staff from the Environmental Services and Strategy and Resources Directorates. The premises do not assist delivering good standards of front-line services including the Council's Registration Service. The expiry of the lease has been accompanied by the landlord requiring a considerable increase in the lease cost, with the increase varying depending on the term of renewal sought. For example, to remain in Metropolitan House the lease costs would increase by £55,500 p.a. (on the basis of a 10-year lease with a five year break clause) from July 2007, representing a budget pressure over the five-year period of £277,500, or £555,000 over the 10 years.
- 3.3 The Business Case in Appendix A provides for the vacation of Metropolitan House including provision for the dilapidations requirement of the lease and to relocate staff to accommodation at Chadderton Town Hall, the Civic Centre and Henshaw House. Associated with the Metropolitan House moves will be the relocation of the Community Safety Unit from the Oldham Business Centre, releasing that accommodation for use by the University; and the relocation of the Environmental Health staff from West End House and potentially from North House. To complement the creation of the SSDP and the alignment of staff, the Council's Contact Centre will be relocated to Henshaw House.

- 3.4 The relocation of the Registration Service will provide for a substantial improvement in the service delivery offer through Chadderton Town Hall being a much more attractive location to provide for higher levels of weddings, civil ceremonies, etc and the associated improvement in income. Locating the Community Safety Unit with Environmental Health at Chadderton Town Hall provides for enhanced joint working, whilst bringing the Environmental Health service together onto a single site will provide for further synergy. Finally, locating the Contact Centre in Henshaw House will bring the staff closer to the Civic Centre One Stop Shop, providing for the potentially increased flexibility of staffing.
- 3.5 The proposed use of Chadderton Town hall provides a significant pathfinder pilot for the Council's plans to make better use of flexible working methods, by reducing the provision of a desk per person as is the norm. As the Project is a pathfinder, there will be some developmental work required, both with the introduction of the information technology which whilst relatively new to Oldham is proven elsewhere; but also to develop Council policy to support flexible working.
- 3.6 To ensure the success of the Project, a cautious approach has been adopted in the Business Case to the introduction of flexible working by not making any provision to relocate the Environmental Health staff currently located in North House as part of the Project. However, this latter dimension will be addressed by working closely with the staff involved to develop detailed space and service planning to establish whether the full integration of Environmental Health can be achieved. If this proves possible, the release of the space in North House will provide a further cost saving opportunity by locating other staff in the accommodation.

4.0 CURRENT POSITION

- 4.1 The current position is that the landlord who owns Metropolitan House has been served with a notice to confirm the Council's intention not to renew the lease. Whilst the Council can still negotiate a renewal, the option is now secured to vacate the building. Negotiations will need to commence with the landlord to agree the dilapidations payment required.

4.2 A comprehensive relocation project plan has been prepared. This has included the production of detailed designs for the necessary work required to sensibly occupy Chadderton Town Hall. Unfortunately, due to the quality and heritage of the building and its local importance, the cost of the modest improvements involving the removal of light partitions, reception areas, some wiring, etc is anticipated to be unusually high due to the standard of finish required.

4.3 University Oldham could require the full use of the Oldham Business Centre. Whilst there is currently no immediacy to vacate, within the short to medium term it is anticipated that both the Community Safety Unit and the Regeneration Directorate will need to relocate. The proposed Project will release the Community Safety Unit from the use of the accommodation.

5.0 **OPTIONS**

5.1 The options available are described at Part C in the Business Case at Appendix A to this report.

6.0 **CONSULTATION**

6.1 The consultation undertaken is described at Part B in the Business Case at Appendix A to this report.

7.0 **FINANCIAL IMPLICATIONS**

7.1 See the Business Case at Appendix A to this report.

8.0 **CORPORATE HUMAN RESOURCES COMMENTS**

8.1 There is a lot of work to do with regard to the HR implications described in the report and it is anticipated that HR will be fully involved in the implementation of the proposals. (AL)

9.0 **LEGAL SERVICES' COMMENTS**

9.1 It will be necessary to consider the repairing obligations under the Metropolitan House lease in order that any dilapidation costs sought by the landlord are kept to the lowest possible value.

9.2 The Councils Land and Property Protocols have been observed. (PJO)

10.0 **TREASURER'S COMMENTS**

10.1 Capital Comments

The scheme will be capital expenditure and a charge against the Environmental Services capital programme in 2007/08.

The scheme will be financed by Prudential Borrowing, funded by revenue savings over 5 years.

The Business Case was considered by the Capital Strategy Group at it's meeting on the 06 February 2007. The Project was supported by the Group with the recommendation that the Business Case and the Assessment be submitted to Cabinet for consideration. (TC)

11.0 **IT IMPLICATIONS**

11.1 To fully develop the benefits of flexible working, the enhanced use of information and communication technology it will be necessary to establish whether wireless technology is suitable to provide the bandwidth requirements for the number of people in the group. It may be necessary to provide additional fixed cabling network points as wireless technology is not yet suitable for delivering a satisfactory service to more than a small group of users. If Chadderton Town Hall is wireless enabled for occasional use by the Community Safety and Environmental Health Teams, the use of PDAs, tablet PCs, etc could assist mobile working and further improve the flexibility of the workforce to deliver services in both a timely and manner which is convenient for customers.

11.2 The Project will be a pathfinder pilot for flexible working and so close working will be essential between operational staff, corporate ICT together with existing software suppliers. (TS)

12.0 **PROPERTY IMPLICATIONS**

12.1 The proposal will release the Council from the occupation of both Metropolitan House, West End House and a part of the Oldham Business Centre by the 31/12/07 or sooner if practicable. These changes once completed will reduce the Council's property portfolio and consequently it's exposure to the associated revenue and capital costs.

12.2 The surrender of the Metropolitan House lease is likely to incur a one-off expenditure for the Council to fund the dilapidations costs as required by the lease. The actual cost of the dilapidations will be the subject of negotiation between the Council and the building owner having regard to the legal requirements of the lease, the investment that the Council has made over the years of its occupation and the current state of the building. (DKM)

13.0 ENVIRONMENTAL AND HEALTH AND SAFETY IMPLICATIONS

13.1 The initial building and relocation work will have a negative impact upon air quality and the consumption of building materials. However, moving to less accommodation in total and fewer buildings will reduce the overall energy consumed by the Council through the use of accommodation and therefore will contribute towards reducing the impact upon the environment. There is a good public transport supply from the Town Centre and other locations within the area. Therefore, it is anticipated that the relocation will be both environmentally and cost neutral in relation to transportation.

13.2 The relocation of staff, furniture, computer terminals, etc will be subject to undertaking risk assessments and VDU workstation assessments.

14.0 COMMUNITY COHESION IMPLICATIONS (INCLUDING CRIME AND DISORDER IMPLICATIONS IN ACCORDANCE WITH SECTION 17 OF THE ACT)

14.1 There are no community cohesion implications. Co-locating the Community Safety Unit with Environmental Health will improve the Council's response to community safety issues, especially where anti-social behaviour, crime prevention and environmental crime are involved.

15.0 FORWARD PLAN

15.1 This is a key decision but it is not included in the Forward Plan.

15.2 The decision is urgent and as such it makes compliance with Rule 16, Part 4 of the Council's Constitution impracticable. The agreement of the Chair of the Finance and Resources Overview and Scrutiny Commission has therefore been obtained in accordance with Rule 17, Part 4 of the Council's Constitution.

15.3 In order that the Project can be completed within the projected timescale, the decision requires immediate action and Cabinet are therefore asked to agree that the decision be exempt from call in, in accordance with Rule 19, Part 4 of the Council's Constitution.

16.0 **SUPPORTING PAPERS**

16.1 Copies of the report can be viewed by contacting John Rice at Oldham MBC, Henshaw House, Cheapside, Oldham - Tel: 0161 770 3503 during normal office hours.

The following is a list of the background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by that Act.

Records Held in the Environmental Services Directorate.

Any Person wishing to inspect copies of the above background papers should contact:-

John Rice, Interim Service Director Environmental Protection

APPENDIX A: CAPITAL FUNDING BUSINESS CASE

A. INFORMATION	
Project Title	PRUDENTIAL BORROWING CAPITAL SCHEME: VACATION OF METROPOLITAN HOUSE WITH THE ASSOCIATED SERVICE IMPROVEMENTS AND STAFF ALIGNMENT FOR THE SSDP
Project Sponsors	<p>Project Sponsor John Hurst, Interim Executive Director, Environmental Services</p> <p>Senior Supplier roles David Mycock, Service Director, Corporate Assets & facilities Management David Honeywell, Head of Technical Support, Finance, IT and Resources, Strategy & Resources Directorate</p> <p>Senior User Roles John Rice – Interim Service Director Environmental Protection (for Registrars, Environmental Protection & Community Safety) John Baker- Interim Head of Finance, Environmental Services Peter Gregory - Unity Partnership Mandy Lee – Human Resources John Bland – Director of Finance and ACT, Finance, IT and Resources, Strategy and Resources Directorate Hugh Broadbent – Chief Executive, First Choice Homes Veronica Jackson, Executive Director Adult & Community Services</p>
FUNDING REQUIREMENTS	
Identify and analyse what level of investment is needed? Note including implementation costs such as any training.	<p>The capital funding is critical to release the Council from the Metropolitan House Lease, carry out the necessary refurbishment of the accommodation and fund the relocation costs and the new furniture required for flexible working. However the approach proposed is prudential borrowing of capital as the scheme represents an invest to save scheme with payback within a five-year period.</p> <p>Project Capital cost = £867,000 OMBC bid for capital = £867,000 Capital receipt expected = £260,000 by 01/04/2008 Net capital requirement = £607,000</p> <p>This will mean that in 2007/08, the cost of the project capital must be funded with a deferred annual interest payment made during 2008/09. The capital receipt, together with the revenue contribution to capital outlay (RCCA) of –£66,968 during 2007/08, will reduce the outstanding capital balance pro-rata.</p> <p>By reference to the cash flow model below, in 2007/08 a total saving of –£66,968 is available which will fund the full cost of removals at £20,000 and the partial cost of new furniture at £57,000 as a RCCA. In 2008/09 the full year revenue benefit of the relocation is available at –£165,105 as a payback to offset the remaining capital cost of £800,032. From the outstanding balance, the capital receipt from the sale of West End House of £260,000 will be deducted and finally, the interest accrued during 2007/08 against the project capital cost will be added, leaving an outstanding balance of £420,878. This approach would continue (without any further capital receipt) until 2011/12, when the full outstanding balance would be repaid and a surplus of –£21,190 available to contribute to the Environmental Services Directorate budget.</p> <p>Assumptions</p> <ol style="list-style-type: none"> 1. For all years the capital charge that represents the opportunity cost of the investment @ 5.3% is added to the outstanding capital remaining unpaid. It has also been assumed that the first years charge for capital and subsequent years will be paid a year in arrears.

2. It will be necessary to sell West End House to realise the capital receipt. A further consequence is that the asset rental cost will be saved. As vacation has been planned to be completed by 31/12/07, it is reasonable to assume that the capital receipt may not be available until 01/04/08.
3. No inflation has been added to the accommodation costs, which in itself will represent an expected 3% reduction in non-lease costs. Furthermore, to remain in Metropolitan House the lease costs would increase by £58,500 p.a. (on the basis of a 10-year lease with a five year break clause) from July 2007, representing a **budget pressure over the five-year period of £273,000.**
4. It has been assumed that as the staff not being located in Chadderton Town Hall will be relocated in the Civic Centre and Henshaw House to occupy existing funded accommodation that there will be no overall cost to the Council arising from such occupation. Furthermore as the staff in Human Resources and Finance are being centralised as a result of other corporate initiatives and restructuring, no costs of relocation have been incorporated into the financial modelling for this project.
5. First Choice Homes will be responsible for their own relocation costs, as a notice to quit will be issued requiring vacation by 31/03/07.
6. The financial modelling has included £250,000 to fund the dilapidations clause for the release of the Metropolitan House lease that is negotiable. The provisional sum has been calculated to represent the likely exposure of the Council. This cost will be incurred at the time the Council decides to vacate the building and or will be required to replace capital items such as the central heating system, etc which is in need of replacement and which falls to the tenant (OMBC) to replace.
7. The Capital Cost includes pre-tender estimates for the building works required, together with a £50,000 contingency sum.

Cash Flow Model

Financial Year	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Saving	-£54,468	-£145,105	-£145,105	-£145,105	-£145,105	-£145,105
Expected Income from registrars	-£12,500	-£20,000	-£25,000	-£30,000	-£32,000	-£32,000
Total saving	-£66,968	-£165,105	-£170,105	-£175,105	-£177,105	-£177,105
Cumulative saving	-£66,968	-£232,073	-£402,178	-£577,283	-£754,388	-£931,493
Outstanding capital funding requirement	£867,000	£800,032	£420,878	£293,175	£140,376	-£21,190
Capital charge @ 5.3%	£0	£45,951	£42,402	£22,307	£15,538	£7,440
Capital receipt	£0	-£260,000	£0	£0	£0	£0
Revenue contribution to capital outlay	-£66,968	£0	£0	£0	£0	£0
Payback	-£66,968	-£165,105	-£170,105	-£175,105	-£177,105	-£177,105
Outstanding balance	£800,032	£420,878	£293,175	£140,376	-£21,190	-£190,855

Identify any match funding, e.g. external grants / partners.

No matched funding. But the full cost of the prudential borrowing capital loan will be repaid within a five-year period.

B. BUSINESS CASE

Description of the project - What is the purpose / objective of investment?

Project description

The Lease for Metropolitan House is due for renewal in July 2007. The cost of a new lease will increase from the current cost of £88,500 to £144,000 per annum for a 10-year lease with a five-year break clause. This would represent increased revenue costs of £555,000 over the ten-year period.

Metropolitan House currently provides accommodation for the Registrars Service; the Council's call centre and Internal Audit services together with Environmental Services finance, human resources, learning & development, performance management and ICT support services.

Environmental Health staff fully occupy West End house. The Community Safety Unit is based in the Oldham Business Centre, where there is a requirement for the Council to release the currently occupied space.

Careful space planning has revealed that it is possible to relocate all staff from Metropolitan House into Council owned premises and in so doing, to provide substantial opportunities to improve service delivery by:

- Locating the Registrars Service at Chadderton Town Hall, this will provide a classic setting for Weddings, Civil Partnership ceremonies, etc.
- Align area based intervention services to improve the delivery of the Local Area Agreement and the stretch targets together with greatly assisting the delivery of the Council's localism ambitions. This will be achieved by co-locating geographically based environmental health teams with community safety (anti-social behaviour and crime prevention officers).
- Piloting flexible working methods to further improve service availability and to reduce the allocation of desks per person by at least 15%.
- Co-locate the call centre with the SSPD team – a key requirement of the Contract.
- Assist the agreed centralisation of both finance and human resources staff.

Purpose of the Investment
The OMBC capital funding is required for:

- a) The refurbishment and modification of Chadderton Town Hall and the Annexe;
- b) Funding the relocation of the Cleaning & Catering Team from Chadderton Town Hall Annexe;
- c) Funding the cost of the dilapidations clause for the vacation of Metropolitan House;
- d) Funding minor adaptations to partitions, etc in the Civic Centre;
- e) Funding the removal, ICT and related costs;
- f) Replacements of some office furniture to support flexible working methods;
- g) To release a capital receipt from the sale of West End House at an expected value of **£260,000**.
- h) To release revenue savings of at least **-£157,605 per annum**.

Describe any links to the Oldham LAA, what outcomes and indicators will be achieved. Has this proposal been commissioned through the Oldham Partnership Board?

Theme 4 Transformational Regeneration- The physical regeneration of Oldham is a key component of the LAA. Chadderton Town Hall is located in a conservation area; it is a significant building and will always be a well maintained feature landmark. It is also within the Central Shopping Core as defined by the UDP. This beautiful building in a prime location is not being used to its full potential as mere office accommodation. Relocation of the Registrars Service would enhance the vitality of this area and open up the building to all sections of the public. The building will be a vital space within the borough where people meet and interact. Moreover, the image of Oldham would be enhanced beyond the Borough when marriage bookings are secured from residents across Greater Manchester.

Theme 8 Culture – cultural activities and events can help to promote greater community cohesion. The function room at Chadderton Town Hall is already used for wedding receptions and this use would be perfectly enhanced if the Registrars Service was located in the same building. Births, deaths and marriages are cross cutting events and the different sectors of Oldham would be meeting each other on common ground and within a stately building, which would reinforce good experiences and establish good memories. Weddings in particular, are always an enjoyable spectacle for the public and viewing these happy occasions, in all their variety would greatly enhance community cohesion.

Theme 9 Respect- The Respect Agenda is a core component of the LAA. Relocating Environmental Health and Community Safety to the same site will lead to well organise joint working to combat enviro crime and anti social behaviour. This effective work will undoubtedly help to build respect in the community and reassure the public.

<p>Describe complimentary links to other LAA blocks</p>	<p>Theme 14a Safer and Stronger Communities – combining Environmental Health and Community Safety on one site would promote joint working and help achieve the stretch target of reducing the percentage of streetscapes falling below Grade B standard of cleanliness.</p> <p>Theme 15 Economic Development and Enterprise – the relocation of Registrars to this Central Shopping Core area will both aid economic growth and will enhance the image of Oldham as perceived by visitors and potential investors. The relocation of the Registrars will increase business optimism and in addition we know that first impressions are critical when assessing the suitability of a place to live and/or invest.</p> <p>20- Stretching Performance, Pump Priming and Reward Grant – this business case meets a number of the stretch targets selected for Reward Grant: -</p> <ul style="list-style-type: none"> i) It incorporates an invest to save rationale and enables the Council to demonstrate sensible and sound financial management. There will be increased income for the Registrars Service and reduced costs for Environmental Health accommodation. ii) It includes relevant cross cutting issues –i.e. births, deaths, marriages iii) It is synergistic in that there will be multiple benefits in terms of outcomes- financial, improved service delivery and community cohesion. iv) It is innovative in its introduction of mobile working.
<p>Description of how the project supports the Authority's Corporate Plan</p>	<p>Theme 1 Community Cohesion: - The current priorities for action are:</p> <ul style="list-style-type: none"> (1.1) A strengthened approach to Community Cohesion. (1.2) Safer stronger, cleaner and greener communities through improved neighbourhood working <p>This project addresses both priorities.</p> <p>(1.1) Work needs to continue to bring people together across the generations and between different parts of the borough, as well as from different ethnic groups.</p> <p>The Registrars Service will be used by all sectors of the Borough and by all ethnic groups. This excellent location will provide positive interaction between people from different ethnic backgrounds because everyone experiences birth, deaths and marriages and everyone can identify the common ground around these life events. The varied marriage celebrations in this beautiful building will provide a positive image for all Oldhamers to enjoy. In addition other services such as Citizenship Ceremonies and Nationality Checking are increasing or will be offered in 2007. This stately building will allow Oldhamers from all the different communities to meet each other and remember their milestones in a positive way. This relocated service, central to the lives of all Oldhamers, will allow people to recognise each others differences but share a sense of belonging and common purpose.</p> <p>(1.2) Environmental Health and Community Safety will be working in close proximity to the same or complementary agendas and this will lead to safer, stronger, cleaner and greener communities.</p> <p>Theme 2 A Prosperous Borough: - (2.3) Better quality public spaces and facilities as set out in Oldham Beyond. Oldham aims to be a place that business seeks to invest in and people want to live. Chadderton Town Hall is one of the few Council buildings of character and should be maximised to its full potential. The relocation of Registrars would meet the criteria for providing better quality public spaces and facilities. The happy spectacle of weddings outside this beautiful building would give a good impression to potential investors and residents using this busy thoroughfare into the town centre</p> <p>Theme 4 An Improved Environment: - This relocation would lead to greater public satisfaction with the local environment because of the strengthened links between Community Safety and Environmental Protection. Close partnership working will improve local environmental quality by raising public awareness and changed attitudes towards enviro crime and other forms of anti social behaviour such as noise.</p>
<p>Description of how the project supports the Departmental Plan</p>	<p>An Improving Council Striving for Excellence ImpEH02 Reduce accommodation costs and enable location</p>

	<p>independent working.</p> <p>Imp EH04 Remove the need to occupy Metropolitan House</p> <p>A Prosperous Borough</p> <p>Imp EH07 To move the Registrar Service to Chadderton Town Hall</p> <p>Community Cohesion ImpCP02 Promote the use of Chadderton Town Hall as a multicultural venue throughout Greater Manchester and wider.</p> <p>Project has SMT support. The Directorate Management Team are keen to remove services from Metropolitan House, dispose of the lease and progress this ideal relocation of Registrars.</p>
<p>Description of how the project supports your areas Service Improvement Plan</p>	<p>Supports Environmental Health & Registrars Service Improvement Plan:</p> <ul style="list-style-type: none"> • To reduce accommodation costs by all Environmental Health staff moving to West End House and enabling independent working. This would have resulted in a reduction of accommodation costs by £6,000 whereas this revised office move will release capital of £260,000 through the sale of West End House. • To move the Registrars Service to Chadderton Town Hall in order to improve service delivery and remove the need to occupy Metropolitan House. <p>Previous inspections undertaken by inspectors from the General Register Office have indicated that the current location for marriages is not of the standard expected and that there is a need to consider a new location for the service.</p>
<p>Identification of innovation (if applicable)</p>	<p>The Registrars Service is an excellent performing service located within poorly designed accommodation. Relocation will provide for the creation of a Decommissioned Marriage Room, which from market research will make this venue one of the most popular choices for marriage ceremonies within Greater Manchester. The more attractive accommodation/venue and improved customer choice for an Oldham venue will increase income between £12,500 per annum, rising to £32,000 over a five-year period.</p> <p>Independent location working is the way forward for every Council in order to reduce accommodation costs whilst improving service flexibility and access. Environmental Health and Community Safety will begin this new way of working in accommodation new to them and adapted for this way of working. This pilot initiative will provide information to inform more services adopting this method of working.</p>
<p>Consultation – internal - external</p>	<p>Registrars carry out regular external consultation in the form of customer evaluations that show that the décor and location are the only negative concerns about the service, see below.</p> <p>For any changes to take place to the Oldham Registration Scheme the permission of the Registrar General is required. This permission has been sought from the Registrar General who confirms that he supports move.</p> <p>Partnership working</p> <p>Development of the project embraces the Oldham Partnership (Local Strategic Partnership) ambitions for The Safer & Stronger Communities Block of the LAA, which is managed through the Sustainable Neighbourhoods Board. A key component of this Block is to reduce crime whilst developing social cohesion, engagement and culture. The Community Safety Unit is the partnership unit central to the delivery of crime reduction. The Unit already has seconded police and analysts and works with a range of partnerships and agencies, which include the Environmental Action Team and Area Managers. The Police Area Commander as the Joint Chair of the Sustainable Neighbourhoods Board fully supports the proposal for greater integration of geographically focussed teams to be co-located.</p> <p>The relocation of the Call Centre is an important ingredient for service improvement within the Strategic Service Delivery Partnership (SSDP) and has the full support of the Project Board.</p>

Customer Consultation 2004										
Question										
Service used	death registration 42									
Liked about service?	Friendly 10	Informative 1	Helpful 8	no wait 4	no comment 5	quick /efficient 11	easy to get appointment	separate waiting 5	location 1	private 1
Improvements?	weekend opening		no comments 24	couldn't improve 6	décor of waiting r 6	sign post 1	parking 3	cup tea 1	1	location 1
Service elsewhere?	hospital 2	funeral d 4	no comments 28	no change 3	new location for RO 1					
Alt hours of opening	Sat am 14	Sat pm 3	mon -fri early 5	mon- fri late 5	Other 2	ok no change 4		no comment 12		
Choices?	phone 23	internet/hom e 9	internet/LA 3	Interactive TV 1	Other reg Office 4	other	no change 2	no comment 6		
Access	opening hrs 6	location 7	parking 18	other 4	no comment 10					
other services	baby naming 4	raffirmation 1	no response 38	none 1						
Other comments										
Ethnicity	Asian	other	not marked 37							

Current Performance

The Registrars Service has a good track history with strong performance both in service delivery and with running value for money services. Recent benchmarking places it in the top quartile nationally and within the AGMA (see below). Over the last 3 years the actions of the Crime & Disorder Reduction Partnership and now the Sustainable Neighbourhoods Board has achieved a downward trend to reduce crime across all major KPIs. The actions of the Partnership in addressing domestic violence and in improved data recording have unfortunately resulted in increased crime statistics. In 2007/08, there has been an increase in crime that does not negate the downward trend, but does demonstrate the need for even more integrated partnership interventions.

	Blackburn	Blackpool	Cheshire	Halton	Liverpool	Oldham	Stockport	Tameside	Trafford	Manchester
Population	138,600	142,000	678,700	118,900	441,000	219,000	291,000	213,400	211,800	432,500
Total Expenditure (Gross)	£ 249,357	£ 362,000	£ 1,325,363	£ 227,442	£ 1,540,700	£ 269,145	£ 527,192	£ 246,071	£ 257,596	£ 951,691
Gross cost per head of population	£ 1.80	£ 2.55	£ 1.95	£ 1.91	£ 3.49	£ 1.23	£ 1.81	£ 1.15	£ 1.22	£ 2.20
Total income	£ 141,108	£ 327,782	£ 973,589	£ 82,990	£ 608,300	£ 224,555	£ 263,700	£ 183,952	£ 179,858	£ 631,534
Net Expenditure	£ 108,249	£ 34,218	£ 351,774	£ 144,452	£ 932,400	£ 44,590	£ 263,492	£ 62,119	£ 77,738	£ 320,157
Net cost per head of population	£ 0.78	£ 0.24	£ 0.52	£ 1.21	£ 2.11	£ 0.20	£ 0.91	£ 0.29	£ 0.37	£ 0.74

Current capital costing information / comparative data

Metropolitan House Cost of Asset Rental = £88,500 to increase from July 2007 to £144,000 per annum for a 10-year lease with a five-year break clause.
West End House Cost of Asset Rental = £12,190
Chadderton Town Hall Cost of Asset Rental = £133,000

Target performance after investment - What will be the outcome?

A net annual revenue saving of -£157,605. Improved service synergy to the public and the adoption of flexible working methods.

Where an asset is to be disposed of state exit strategy including any barriers to disposal which need to be overcome

Asset disposal capital receipt of £260,000 is expected following a valuation. The exit strategy will be based upon the phased occupation of Chadderton Town Hall. To provide flexibility in the project, the vacation of the West End House building has been estimated to be completed by 31/12/2007.

Please confirm that any potential negative environmental effects have been addressed.

The consolidation of services into a single building will reduce the use of energy for heating and lighting through occupying a smaller square metreage. Offset against these savings will be the environmental consequences of the removal and refurbishment of the buildings. Car mileage will not increase and through more flexible working should deliver a marginal saving.

Please confirm that energy and waste minimisation principles have been incorporated into the design of facilities.

As above

Please confirm that provision has been made for public and business access including identification of appropriate accompanying measures such as public transport.

Key public services will be relocated to Chadderton Town Hall. This relocation will provide for access and reception in a classical building which will both enhance the user experience and service standards. Full access available through normal public transport routes, with busses expected approximately every 10 minutes.

Please confirm that any new or upgraded

As above

<p>attractions and facilities have taken account of the need to encourage or support access by public transport.</p>	
<p>C. OPTIONS APPRAISAL</p>	
<p>Options identified, discarded and evaluated. (Include comment on financing options. This should include consideration of opportunities to claim grants, and evaluation of leasing as well as prudential borrowing)</p>	<p>The main options considered are:</p> <ol style="list-style-type: none"> 1. No change – to continue to occupy Metropolitan House, etc. This would miss the opportunity to secure a significant revenue saving whilst substantially improving the Registration Service offer and the alignment of staff. It would however avoid the exposure to the capital requirement, the risk and the disruption to staff from the changes. 2. To relocate the registrars to a new building or alternative building. No fit for purpose building can be identified. A new build or major adaptations to existing buildings (public & private would be both cost prohibitive and to date none of the available buildings would offer the same level of service gain. This option would not avoid the capital exposure and risk with indeterminate revenue savings. 3. To vacate Metropolitan House, relocate the Registrars to Chadderton Town Hall and the related moves. The most cost effective solution with the lowest level of risk of all but the no change options. Significant potential for future revenue savings and to improve service delivery. Capital spend required with associated risk and staff disruption. Staff in Registrars fully committed to the proposals. Other staff in Metropolitan House not resisting the changes. Environmental Health staff interested in piloting flexible working. All staff will be fully involved in developing the details of the accommodation moves in order to optimise the use of space, whilst through involvement creating a degree of control over individual change. <p>For the Registration service the following is relevant:</p> <p>Existing Situation</p> <ol style="list-style-type: none"> 1. No. Of marriages undertaken at Oldham Register Office 1.1.05-1.1.06 (291). This shows a clear trend over previous years away from register office marriages within the Borough. 2. In contrast the figures for the same period for the Register Offices in Rochdale and Tameside show an increase in business for the service as follows: - Tameside (365), Rochdale (376) 3. There is also evidence that the increase in business for the two neighbouring authorities is through couples from Oldham choosing to get married in a more attractive venue as offered at Rochdale Town Hall and the newly refurbished Duckinfield Town Hall. <p>External Issues</p> <ol style="list-style-type: none"> 4. Previous inspections undertaken by inspectors from the General Register Office have indicated that the current location for marriages is not of the standard expected and that there is a need to consider a new location for the service. 5. Customer satisfaction surveys have shown that a consistent concern from service users is the building, in relation to accessibility and parking. In addition a particular problem highlighted for weddings is the poor external façade and immediate surrounding environment which is not conducive in anyway to good photographs which is clearly a high priority for couples when choosing a venue. 6. The General Register Office has traditionally undertaken inspections and service assessments based upon registrations. It is this baseline assessment, which provides for the staffing allocation for the service. It is proposed to alter the method of inspection more in line with the approach taken by the Audit Commission. The service will be assessed against service standards and quality/ diversity of the services provided. This new approach will further highlight the deficiencies in the service that relate to the accommodation. 7. Weddings are not the only part of the service that would be enhanced by improved accommodation provision. Other services,

	<p>which are based upon a ceremony, would also benefit i.e. Citizenship Ceremonies, Naming and Reaffirmation Ceremonies and Civil Partnerships.</p> <p>8. There are further options available to the service if suitable accommodation were to be provided for the service in respect of the decommissioning of marriage rooms. This means that the Local Authority choose to offer the main marriage room a similar status to that given to approved premises thus enabling greater income to be generated from the services provided.</p> <p>9. Possible projections for increased income from the service are estimated as follows: -</p> <ul style="list-style-type: none"> • Current Income levels based on the same level of activity £12,658.50 • Decommissioning of Marriage Room income based on same level of activity £24,298.50.
D. REVENUE IMPLICATIONS	
Identify the revenue implications of the project. (Both cash & non cashable efficiencies)	The Project is self-sustaining through adopting a prudential borrowing approach. Within a five-year period the capital costs of the project will be repaid together with interest charged at 5.3%, by the end of the five years annual savings of at least -£157,605 will be available. These savings are countable towards the Gershon Efficiency savings.
Identification of savings to be retained in the department.	-£157,605 full year effect from 2011/12, after full repayment of the £867,000 prudential borrowing through a capital receipt expected to be £260,000 and revenue repayments which include provision to fund the cost of capital.
Identification of any additional revenue resources	None required, revenue saving.
Identify the whole life cost of the project.	Section A contains the full life costing over a five-year period. There is no reason why the annual revenue saving of -£157,605 should not continue to be saved, providing -£788,025 saving over the next 5 years and -£1,576,050 over the next 10 years to 2021/2022.
E. TIMESCALES / MONITORING	
Set out the timescales for implementation	Vacation of Chadderton Town Hall by First Choice Homes – By 31/03/07 Refurbishment of CTH – By 01/07/07 to provide for the Registration Service to move in. Full completion by 31/08/07. Relocate Environmental Health from West End House and Community Safety from the Oldham Business Centre – By 31/12/07.
Note project management arrangements	<p>Project Sponsor John Hurst, Interim Executive Director, Environmental Services</p> <p>Senior Supplier roles David Mycock, Service Director, Corporate Assets & facilities Management David Honeywell, Head of Technical Support, Finance, IT and Resources, Strategy & Resources Directorate</p> <p>Senior User Roles John Rice – Interim Service Director Environmental Protection (for Registrars, Environmental Protection & Community Safety) John Baker- Interim Head of Finance, Environmental Services Peter Gregory - Unity Partnership Mandy Lee – Human Resources John Bland – Director of Finance and ACT, Finance, IT and Resources, Strategy and Resources Directorate Hugh Broadbent – Chief Executive, First Choice Homes Veronica Jackson, Executive Director Adult & Community Services</p> <p>Project management by Prince 2 methodology with Graham Dixon (Environmental Services) providing overall project management.</p>
A description of how savings achievement and performance improvement will be monitored.	See cash flow model in Section A
F. RISK ASSEMENT	
Identify barriers to achievement and suggested ways to overcome – note any cost implications and include in costing	A risk assessment has been completed. The risk score is 1-5 (with 1 low and 5 high) for the consequences of the risk and 1-5 for likelihood. Multiplying the two scores together provides the total expected risk.

section.	<p>The key risks are:</p> <ol style="list-style-type: none"> Delays in moving staff out of accommodation: risk = 5 x 3 = 15. This risk is relatively high at the moment due to the need to relocate First Choice Homes from Chadderton Town Hall into alternative accommodation located nearby and in the ownership of the Council. To release this accommodation requires staff from Adult and Community Services to relocate to alternative premises, which have been agreed, but the lease is being executed. The risk will be managed and offset through a combination of driving the execution of the new lease for Adult and Community Services; issuing the notice to quit to First Choice Homes; and a worst case scenario of agreeing marginal flexibility for the lease on Metropolitan House for up to 3 months beyond July 2007. Delays associated with tendering: risk = 4 x 2 = 8. Unlikely to be a real risk as the major works have been designed and project planned for completion. The risk is primarily delays to complete, which will be project managed and with the appropriate penalty clauses added. Increased revenue costs associated with the occupation of CTH: risk = 3 x 2 = 6. Budgets have been checked to ensure full costs are included. However, as a relatively old building there is always a degree of risk from unexpected breakdowns or building damage. Not realising the capital receipt within 2007/08 in part or fully: risk = 4 x 1 = 4. Property sales are always at risk of what the market will pay. Delays associated with the installation of the GMP specialist fibre optic ICT network for community safety data analysis: risk = 1 x 3 = 3. Survey work has already been commissioned and the cables required are available at the nearby old Police Station. With a normal lead-time of 2 months, there is plenty of time to resolve any issues that may arise.
G CONFIRMATION YOU HAVE SOUGHT COMMENTS / ADVICE AS APPROPRIATE FROM:	
Treasurers	29/01/07, Mel Creighton
Legal	Not yet.
Property	29/01/07, David Mycock
HR	Not yet.
Policy and Commissioning Unit	Some discussions but ongoing about further partnership options.